Government of Saskatchewan

Financial Statement 2004-2005

Carlton Trail Regional College

Saskatchewan Centennial 2005

106-01204/

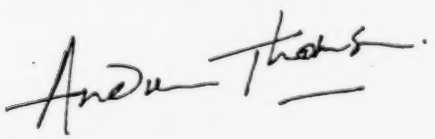
Letter of Transmittal

The Honourable Dr. Lynda M. Haverstock
Lieutenant Governor
Province of Saskatchewan

Your Honour:

I have the honour to submit for your consideration the Financial Statements of the Carlton Trail Regional College for the year ending June 30, 2005.

Respectfully submitted,



Andrew Thomson
Minister of Learning

CARLTON TRAIL REGIONAL COLLEGE
FINANCIAL STATEMENTS
JUNE 30, 2005

CARLTON TRAIL REGIONAL COLLEGE
Statement of Management Responsibility

The College is responsible for the preparation of the financial statements and has prepared them in accordance with Canadian generally accepted accounting principles and in accordance with the guidelines developed by Saskatchewan Learning. The College believes the financial statements present fairly the College's financial position as at June 30, 2005 and the results of its operations for the year then ended.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, the College has developed and maintains a system of internal control designed to provide reasonable assurance that College assets are safeguarded from loss and that the accounting records are a reliable basis for the preparation of financial statements.

The Board of Directors is responsible for the review of the financial statements. The Board meets with management and, as required, with the external auditors to discuss the results of audit examinations and financial reporting matters. The external auditors have full access to the Board with and without the presence of management.

The financial statements for the year ended June 30, 2005 have been reported on by E. J. C. Dudley & Co. The Auditor's Report outlines the scope of his examination and provides his opinion on the fairness of presentation of the information in the financial statements.

CEO

Director of Finance

AUDITORS' REPORT

To The Directors
Carlton Trail Regional College

We have audited the statement of financial position of Carlton Trail Regional College as at June 30, 2005 and the statements of operations, changes in net assets and cash flows for the year then ended. The College is responsible for preparing these financial statements for Treasury Board's approval. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. These standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the College as at June 30, 2005 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Wynyard, Saskatchewan
September 02, 2005

EGL Dudley & Co
Chartered Accountants

Carlton Trail Regional College
Statement of Financial Position
as at June 30, 2005

	2005			2004
	Operating	Capital	Total	Total
Assets				
Current Assets				
Cash	$ 909,824	$ -	$ 909,824	$ 531,114
Temporary investments	240,000	-	240,000	240,000
Accounts receivable (Note 3)	66,341	-	66,341	243,528
Inventories	15,021	-	15,021	9,854
Prepaid expenses	20,644	-	20,644	27,281
	1,251,830		1,251,830	1,051,777
Non-current Assets				
Capital Assets (Note 4)	-	1,240,789	1,240,789	1,327,212
	$ 1,251,830	$ 1,240,789	$ 2,492,619	$ 2,378,989
Liabilities				
Current Liabilities				
Accrued salaries and benefits	$ 183,672	$ -	$ 183,672	$ 175,039
Accounts payable and accrued liabilities(Note 6)	33,797	-	33,797	55,806
Unearned revenue (Note 7)	681,328	-	681,328	493,011
	898,797	-	898,797	723,856
Net Assets				
Invested in capital assets	-	1,240,789	1,240,789	1,327,212
Restricted (Note 8)	158,978	-	158,978	98,194
Unrestricted	194,055	-	194,055	229,727
	353,033	1,240,789	1,593,822	1,655,133
	$ 1,251,830	$ 1,240,789	$ 2,492,619	$ 2,378,989

The accompanying notes form an integral part of these financial statements.

APPROVED BY THE BOARD

Carlton Trail Regional College
Statement of Operations
for the year ended June 30, 2005

	Budget (Note 9)	2005 Operating	2004	2005 Capital	2004	**2005 Total**	2004 Total
Revenues (Schedule 1)							
Provincial government	$ 3,156,964	$ 3,337,668	$ 3,206,321	$ 25,000	$ 450,000	**$ 3,362,668**	$ 3,656,321
Federal government	342,000	451,147	374,963	-	-	**451,147**	374,963
Other revenue	690,496	684,429	678,884	63	2,517	**684,492**	681,401
Total revenues	4,189,460	4,473,244	4,260,168	25,063	452,517	**4,498,307**	4,712,685
Expenses (Schedule 2)							
Agency Contracts	935,553	1,113,289	955,169	-	-	**1,113,289**	955,169
Amortization	-	-	-	145,293	129,751	**145,293**	129,751
Equipment	101,740	102,583	102,138	-	-	**102,583**	102,138
Facilities	249,240	237,139	248,897	-	-	**237,139**	248,897
Information Technology	64,656	30,273	21,391	-	-	**30,273**	21,391
Operating (Schedule 3)	462,351	455,231	477,771	-	-	**455,231**	477,771
Personal services	2,348,693	2,475,810	2,360,557	-	-	**2,475,810**	2,360,557
Total expenses	4,162,233	4,414,325	4,165,923	145,293	129,751	**4,559,618**	4,295,674
(Deficiency) excess of revenues over expenses	$ 27,227	$ 58,919	$ 94,245	$ (120,230)	$ 322,766	**$ (61,311)**	$ 417,011

The accompanying notes form an integral part of these financial statements.

Statement 3

Carlton Trail Regional College
Statement of Changes in Net Assets
for the year ended June 30, 2005

	2005				**2005**	2004
	Capital	Operating				
	Invested in capital assets	Restricted Externally	Restricted Internally	Unrestricted	**Total**	Total
Net assets, beginning of year	$ 1,327,212	$ 17,511	$ 80,683	$ 229,727	**$ 1,655,133**	$ 1,238,122
(Deficiency) excess of revenues over expenses	(120,230)	-	-	58,919	**(61,311)**	417,011
Interfund transfers (Note 8)	33,807	(14,216)	75,000	(94,591)	-	-
Net assets, end of year	$ 1,240,789	$ 3,295	$ 155,683	$ 194,055	**$ 1,593,822**	$ 1,655,133

The accompanying notes form an integral part of these financial statements.

Statement 4

Carlton Trail Regional College
Statement of Cash Flows
for the year ended June 30, 2005

	2005	2004
Cash flows from operating activities		
(Deficiency) excess of revenues over expenses	**$ (61,311)**	**$ 417,011**
Amortization of capital assets	**145,293**	**129,751**
	83,982	546,762
Decrease in accounts receivable	**177,187**	14,451
(Increase) in inventories	**(5,167)**	(129)
Decrease in prepaid expenses	**6,637**	11,295
Increase in accrued salaries and benefits	**8,633**	21,459
(Decrease) in accounts payable & accrued liabilities	**(22,009)**	(135,875)
Increase in unearned revenue	**188,317**	183,335
Cash provided from operating activities	**437,580**	**641,298**
Cash flows from investing activities		
Purchase of capital assets	**(58,870)**	(465,764)
Cash used in investing activities	**(58,870)**	(465,764)
Net Increase in cash and temporary investments	**378,710**	175,534
Cash and temporary investments, beginning of year	771,114	595,580
Cash and temporary investments, end of year	**$ 1,149,824**	$ 771,114

The accompanying notes form an integral part of these financial statements.

CARLTON TRAIL REGIONAL COLLEGE
Notes to the Financial Statements
for the year ended June 30, 2005

1. PURPOSE AND AUTHORITY

The Carlton Trail Regional College offers educational services and programs under the authority of Section 14 of The Regional Colleges Act.

The Board of the Carlton Trail Regional College is responsible for administering and managing the educational affairs of the College in accordance with the intent of The Regional Colleges Act and its regulations.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and include the following significant policies:

(a) **Fund Accounting**

The accounts of the College are maintained in accordance with the principles of fund accounting. For financial reporting purposes, accounts with similar characteristics have been combined into the following major funds:

(i) Operating Fund

The operating fund consists of those revenues and expenses relating to the general operations of the College.

(ii) Capital Fund

The capital fund reflects the unamortized capital assets of the College and the equity of the College in capital assets, after taking into consideration any associated long term debt. The capital fund consists of transfers and donations designated for capital purposes by the contributor, net of the annual amortization expense. Also included in the capital fund are the appropriations for future capital expenditures.

(b) **Revenue Recognition**

The College follows the restricted fund method of accounting for grants. Restricted transfers related to general operations are recognized as revenue of the operating fund in the year in which the related expenses are incurred. Transfers restricted for capital assets are recognized as revenue of the capital fund when received or receivable.

Unrestricted operating transfers are recognized as revenue of the operating fund when received or receivable. Tuition and fee revenue is recognized as the course instruction is delivered. Revenue from contractual services is recognized as the service is delivered.

(c) **Capital Assets**

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Amortization is charged on a straight-line basis over the estimated useful lives of the assets at the following terms, and is reported as an expense in the capital fund:

Buildings	20 years
Furniture and Equipment	3 to 5 years
Leasehold Improvements	Term of Lease or estimated useful life

(d) **Inventories**

Inventories are recorded at the lower of cost and net realizable value.

(e) **Investments**

Investments are recorded at the lower of cost and market value.

(f) **Cash and Temporary Investments** are represented by cash on hand and balances with banks.

3. ACCOUNTS RECEIVABLE

Accounts receivable are composed of the following:

	2005	2004
Provincial Government	$29,601	$ 98,543
Federal Government	14,833	117,151
Other	21,907	27,834
	$66,341	$243,528

4. CAPITAL ASSETS

	Cost	Accumulated Amortization	2005 Net Book Value	2004 Net Book Value
Land	$ 600	0	600	600
Buildings	612,124	153,542	458,582	489,187
Furnishings/Equipment	1,032,170	959,884	72,286	59,100
Leasehold Improvements	1,212,836	503,515	709,321	778,325
	2,857,730	$1,616,941	$1,240,789	$1,327,212

5. CONTRACTUAL OBLIGATIONS

The College is obligated under the following lease agreements:

(a) Administration Building: A five year lease, expiring June 30, 2006, calls for monthly rental payments of $5,000 plus GST.

(b) Humboldt Education Centre: The joint-use Operating Agreement (three years) requires an annual maintenance fee of $3,417 per month, $41,000 per annum.

(c) Watrous Facility: An open-ended lease (99 years) with SaskCentral School Division specifying payment of operating costs only.

(d) Equipment: The College is committed to an annual lease payment of $19,225 plus sales taxes in respect of photocopier equipment. The lease expires May 15, 2008.

(e) Wynyard Facility: A 10 year lease expiring December 31, 2009 specifying payment of operating costs only.

(f) Punnichy Facility: A 3 year lease expiring December 31, 2006 specifying payment of operating costs only.

6. ACCOUNTS PAYABLE

Accounts payable are composed of the following:

	2005	2004
Scholarship Trust	$ 3,974	5,507
Fireman Training Trust	4,725	4,786
Trade Payables	25,098	45,513
	$33,797	$ 55,806

7. UNEARNED REVENUE

Unearned revenue consists of transfers received to carry out specific activities in excess of the expenses incurred on those activities at the end of the fiscal year as follows:

	2005	2004
Saskatchewan Learning	$640,359	465,291
Other	40,969	27,720
	$681,328	$493,011

8. RESTRICTIONS ON NET ASSETS

The Board of Directors of Carlton Trail Regional College have placed internal restrictions on $155,683 (2004 - $80,683) of unrestricted net assets to be used for future expenditures. These internally restricted amounts are not available for other purposes without approval of the Board of Directors.

$19,591 (2004 - $13,247) was transferred from unrestricted operating funds to capital assets for the purchase of information technology equipment, computers and office equipment.

External restrictions consists of $3,295 (2004 - $17,511) for completion of Punnichy construction and Wynyard office renovations.

9. BUDGET AMOUNTS

The budget submitted with the Business Plan was prepared by Regional College management with Board approval given on May 19, 2004. Ministerial approval was received June 24, 2004.

10. RELATED PARTY TRANSACTIONS

These financial statements include transactions with related parties. The College is related to all Saskatchewan Crown Agencies such as departments, corporations, boards and commissions under the common control of the Government of Saskatchewan. Also, the College is related to non-Crown enterprises that the Government jointly controls or significantly influences.

Routine operating transactions with related parties are recorded at the rates charged by those organizations and are settled on normal trade terms.

	2005	2004
University of Saskatchewan	$ 5,486	$ 3,028
SaskTel and SaskMobility	56,834	51,861
SaskPower & SaskEnergy	27,585	26,744
SIAST	427,614	339,366
Saskatchewan Property Management	34,283	39,248
St. Peter's College	40,099	40,000

During the year the College continued a contract with Saskatchewan Communications Network (SCN) to deliver various training and educational programs. The College received $89,491 during the year from SCN for these programs (2004 - $89,491).

Other transactions with related parties and amounts due to/from them are described separately in the financial statements and the notes thereto.

CARLTON TRAIL REGIONAL COLLEGE
Notes to the Financial Statements
for the year ended June 30, 2005

11. FINANCIAL INSTRUMENTS

(a) The carrying amount of cash and temporary investments, accounts receivable, accounts payable and accrued salaries, and vacation payable approximates fair value due to the short term maturity of these instruments. There are no significant terms or conditions related to these financial instruments that may affect the amount, timing, or certainty of future cash flows.

(b) The College is exposed to credit risk from the potential non-payment of accounts receivable. The majority of the Colleges receivables are from the Provincial and Federal governments or have subsequently been collected therefore credit risk is minimal.

12. PENSIONS

Employees of the College participate in one of two pension plans. Teachers and other employees holding a teaching certificate participate in a defined benefit plan, the Teachers' Superannuation Plan (TSP) which is administered by the Teachers' Superannuation Commission. The Board has no financial obligation to TSP. Eligible employees contribute to TSP for their current service. No matching contribution is made by the College. The General Revenue Fund is responsible for the financial obligations of the TSP. All other employees participate through Municipal Employees' Pension Plan (MEPP) which is a multi-employer defined benefit plan. The College's financial obligation to the MEPP is limited to making required payments to match amounts contributed by employees for current services. Pension expense for the year 2005 amounted to $66,586 (2004 - $66,252).

13. SASKATCHEWAN CAP YOUTH PROJECT

During the year the College entered into an agreement with Industry Canada to pay wages to employees of Canada Community Access Program Youth Employment project for the Province of Saskatchewan. The project employs youth in rural communities to ensure that Canadians in remote and rural areas have affordable access to the information highway.

An administration margin of $29,569 (2004 - $22,776) was acquired from the agreement.

During the year, Youth Internships salaries and benefits totaling $371,773 (2004 - $291,502) were paid out to 67 Community Access Project Sites.

14. COMPARATIVE FIGURES

Certain prior year's comparative figures have been reclassified or adjusted to conform to the current year's basis of presentation.

Schedule 1

Carlton Trail Regional College
Schedule of Operating Fund Revenues by Function
for the year ended June 30, 2005

	2005										
	General	Skills Training		Basic Education		University	Services		2005	Budget	2004
		Credit	Non-credit	Credit	Non-credit	Credit	Learner Support	Counsel	Total	(Note 9)	Total
Provincial Government											
Saskatchewan Learning											
Operating grant	$ 1,507,825	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 1,507,825**	$ 1,491,545	$ 1,496,110
Program payments	-	582,245	-	286,219		-	-	-	**868,464**	1,275,919	750,067
Other	53,562	366,227	-	61,212	-	10,974	271,758	55,348	**819,081**	229,500	782,386
	1,561,387	948,472	-	347,431	-	10,974	271,758	55,348	**3,195,370**	2,996,964	3,028,563
Other Provincial	37,309	-		-	59,399	-	-	45,590	**142,298**	160,000	177,758
	1,598,696	948,472	-	347,431	59,399	10,974	271,758	100,938	3,337,668	3,156,964	3,206,321
Federal Government											
Admin recovery	-	-	-	-	-	-	156	-	**156**	-	-
Projects	-	-	-	-	12,651	-	438,340	-	**450,991**	342,000	374,963
	-	-	-	-	12,651	-	438,496	-	**451,147**	342,000	374,963
Other Revenue											
Admin recovery	18,556	851	39	-	-	165	-	-	**19,611**	9,500	21,554
Contracts	-	15,427	33,640	8,617	6,000	-	-	-	**63,684**	126,564	49,885
Interest	22,544	-	-	-	-	-	-	-	**22,544**	15,000	18,808
Rents	8,179	195	-	-	-	28	-	-	**8,402**	44,700	15,252
Resale Items	-	84,676	9,265	1,144	-	190	-	-	**95,275**	88,120	82,138
Tuitions	-	381,463	83,941	2,350	-	76	3,758	25	**471,613**	402,612	439,626
Other	3,225	-	75	-	-	-	-	-	**3,300**	4,000	51,621
	52,504	482,612	126,960	12,111	6,000	459	3,758	25	**684,429**	690,496	678,884
Total revenue	1,651,200	1,431,084	126,960	359,542	78,050	11,433	714,012	100,963	4,473,244	4,189,460	4,260,168
Total expenses (Schedule 2)	1,725,130	1,235,721	102,622	282,875	102,408	48,039	669,670	247,860	**4,414,325**	4,162,233	4,165,923
(Deficiency) excess of revenues over expenses	$ (73,930)	$ 195,363	$ 24,338	$ 76,667	$ (24,358)	$ (36,606)	$ 44,342	$ (146,897)	$ 58,919	$ 27,227	$ 94,245

The accompanying notes form an integral part of these financial statements.

Carlton Trail Regional College
Schedule of Operating Fund Expenses by Function
for the year ended June 30, 2005

	2005								2005	Budget (Note 9)	2004
	General	Skills Training		Basic Education		University	Services				
		Credit	Non-credit	Credit	Non-credit	Credit	Learner Support	Counsel	**Total**	Total	Total
Agency Contracts	$ 17,405	$ 767,767	$ 78,947	$ 6,437	$ 15,135	$ 40,219	$ 187,379	$ -	**$ 1,113,289**	$ 935,553	$ 955,169
Equipment	74,962	8,580	222	10,061	3,238	99	261	5,160	**102,583**	101,740	102,138
Facilities	150,834	51,785	2,718	22,523	8,922	-	357	-	**237,139**	249,240	248,897
Information Technology	27,160	1,169	-	55	-	-	1,889	-	**30,273**	64,656	21,391
Operating (Schedule 3)	248,897	101,416	18,669	16,815	10,637	1,060	44,297	13,440	**455,231**	462,351	477,771
Personal services	1,205,872	305,004	2,066	226,984	64,476	6,661	435,487	229,260	**2,475,810**	2,348,693	2,360,557
	$ 1,725,130	$ 1,235,721	$ 102,622	$ 282,875	$ 102,408	$ 48,039	$ 669,670	$ 247,860	$ 4,414,325	$ 4,162,233	$ 4,165,923
			$ 1,338,343		$ 385,283			$ 917,530			

Schedule 3

Carlton Trail Regional College
Schedule of Operating Fund Expenses
for the year ended June 30, 2005

	2005 Total	Budget (Note 9) Total	2004 Total
Advertising	$ 36,426	$ 42,700	$ 31,138
Association Fees & Dues	10,539	9,250	9,456
Bad Debts	805	1,000	2,000
Financial Services	1,142	500	710
In-Service	40,017	19,800	22,955
Insurance	23,403	23,000	20,704
Materials & Supplies	73,457	67,936	89,267
Postage Freight & Courier	20,081	23,640	21,904
Printing & Copying	2,057	2,100	1,904
Professional Services	15,813	39,700	22,179
Resale Items	76,476	68,400	80,784
Subscriptions	1,934	2,500	2,029
Telephone/Fax	56,875	53,350	57,530
Travel	80,074	93,400	94,895
Other	16,132	15,075	20,316
	$ 455,231	$ 462,351	$ 477,771

The accompanying notes form an integral part of these financial statements.

Schedule 4

Carlton Trail Regional College
Schedule of Restricted Net Assets Transactions
for the year ended June 30, 2005

	Beginning Balance	Appropriations to net assets	Appropriations from net assets	Ending Balance
Internally Restricted				
Information Technology	$ 80,683	-	-	$ 80,683
Innovation Fund		75,000		75,000
Externally Restricted				
Punnichy Construction	4,368	1,244	5,612	-
Wynyard Renovations	13,143	-	9,848	3,295
	$ 98,194	$ 76,244	$ 15,460	$ 158,978

The accompanying notes form an integral part of these financial statements.

Carlton Trail Regional College
Personal Service Listing
for the year ended June 30, 2005
"Unaudited"

Listed are individuals **(including unionized employees)** who received $50,000 or more for salaries, wages, honorariums, and compensation for personal service. This listing will included: Gross salary + gross bonus + honorariums + compensation for personal service = personal Service. (No travel reimburements, transfers or other expenditures will be included).

Barber, Rob	$ 91,704
Burgess, Andy	77,241
Froehlich, Don	51,998
Harris, Donald	57,896
Keyser, Beverley	57,896
McMann, Cathy	79,469
McMartin, Gayle	62,714
Schemenauer, Heather	52,530
Steadman, Damon	53,859
Varga, Pat	68,118
Yee, Edison	51,302
	1,249,487
Staff under $50,000	21,535
Board Members	352,341
CAP - Interns	
Total	$ 2,328,090

Carlton Trail Regional College
Supplier Payment Listing
for the year ended June 30, 2005
"Unaudited"

Listed are payees who received $50,000 or more for the provision of goods and services, including office supplies, communications, contracts, and equipment.

Blue Cross	$ 99,148.58
Humboldt Holdings	72,625.64
Receiver General for Canada RP0001	580,132.02
Receiver General for Canada RP0002	86,440.92
SK Mun Employees Pension Plan	133,171.46
SIAST Kelsey Institute	230,732.80
SIAST Wascana Institute	151,288.56
Total	$ 1,353,540